

I also agree that there is a huge vacancy rate on our Federal bench. I urge my friends to urge their friends in the other body to get their work done and act on these nominees.

I agree that there was greed at Enron. This makes our point, Mr. Speaker. Together, three top company executives are accused of bilking shareholders of \$198 million.

Yet, for all the alleged greed, the wrongdoing of these three executives is far outweighed by what the lawyers stand to reap. According to news reports, Arthur Andersen made a preemptive settlement offer to Enron shareholders in the amount of \$750 million. At the standard 32 percent contingency fee, this would work out to a \$225 million share of that sum going to the lawyers. That truly is bilking the shareholders.

Mr. Speaker, I just want to thank my colleague, the gentleman from Virginia (Mr. GOODLATTE), for all his hard work and dedication to reforming our civil justice system to work for the parties and not for the lawyers.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 221, nays 198, not voting 15, as follows:

[Roll No. 55]

YEAS—221

Aderholt	Cannon	English
Akin	Cantor	Everett
Armey	Capito	Ferguson
Bachus	Castle	Flake
Baker	Chabot	Fletcher
Ballenger	Chambliss	Foley
Barr	Coble	Forbes
Bartlett	Collins	Fossella
Bass	Combest	Frelinghuysen
Bereuter	Cooksey	Galleghy
Biggert	Cox	Ganske
Blirakis	Crane	Gekas
Blunt	Crenshaw	Gibbons
Boehert	Culberson	Gilchrest
Boehner	Cunningham	Gillmor
Bonilla	Davis, Jo Ann	Gilman
Bono	Davis, Tom	Goode
Boozman	Deal	Goodlatte
Boucher	DeLay	Goss
Boyd	DeMint	Granger
Brady (TX)	Diaz-Balart	Graves
Brown (SC)	Doolittle	Green (WI)
Bryant	Dreier	Greenwood
Burr	Duncan	Grucci
Buyer	Dunn	Gutknecht
Callahan	Ehlers	Hall (OH)
Calvert	Ehrlich	Hall (TX)
Camp	Emerson	Hansen

Hart	Mica	Shadegg
Hastings (WA)	Miller, Dan	Shaw
Hayes	Miller, Gary	Shays
Hayworth	Miller, Jeff	Sherwood
Hefley	Moran (KS)	Shimkus
Herger	Moran (VA)	Shuster
Hillery	Morrell	Simmons
Hobson	Myrick	Simpson
Hoekstra	Nethercutt	Skeen
Horn	Ney	Smith (MI)
Hostettler	Northup	Smith (NJ)
Houghton	Nussle	Smith (TX)
Hulshof	Osborne	Souder
Hunter	Ose	Stearns
Hyde	Otter	Stenholm
Isakson	Oxley	Stump
Issa	Paul	Sullivan
Istook	Pence	Sununu
Jenkins	Peterson (PA)	Sweeney
Johnson (CT)	Petri	Tancredo
Johnson (IL)	Pickering	Tauzin
Johnson, Sam	Pitts	Taylor (NC)
Jones (NC)	Platts	Terry
Keller	Pombo	Thomas
Kelly	Portman	Thornberry
Kennedy (MN)	Pryce (OH)	Thune
Kerns	Putnam	Tiahrt
King (NY)	Quinn	Tiberi
Kingston	Ramstad	Toomey
Kirk	Regula	Upton
Knollenberg	Rehberg	Vitter
Kolbe	Reynolds	Walden
LaHood	Riley	Walsh
Latham	Rogers (KY)	Wamp
LaTourette	Rogers (MI)	Watkins (OK)
Leach	Rohrabacher	Watts (OK)
Lewis (CA)	Ros-Lehtinen	Weldon (FL)
Lewis (KY)	Roukema	Weldon (PA)
Linder	Royce	Weller
LoBiondo	Ryan (WI)	Whitfield
Lucas (OK)	Ryun (KS)	Wicker
Manzullo	Saxton	Wilson (NM)
McCrery	Schaffer	Wilson (SC)
McHugh	Schrock	Wolf
McInnis	Sensenbrenner	Young (AK)
McKeon	Sessions	

NAYS—198

Abercrombie	Etheridge	Lofgren
Ackerman	Evans	Lowey
Allen	Farr	Lucas (KY)
Andrews	Fattah	Luther
Baca	Filner	Lynch
Baird	Ford	Maloney (CT)
Baldacci	Frank	Maloney (NY)
Baldwin	Frost	Markey
Barcia	Gephardt	Mascara
Becerra	Gonzalez	Matheson
Berkley	Gordon	Matsui
Berman	Green (TX)	McCarthy (MO)
Berry	Gutierrez	McCarthy (NY)
Bishop	Harman	McCollum
Blumenauer	Hastings (FL)	McDermott
Bonior	Hill	McGovern
Borski	Hilliard	McIntyre
Boswell	Hinchee	McKinney
Brady (PA)	Hoeffel	McNulty
Brown (FL)	Holden	Meehan
Brown (OH)	Holt	Meek (FL)
Capps	Honda	Meeks (NY)
Capuano	Hooley	Menendez
Cardin	Hoyer	Millender
Carson (IN)	Inslee	McDonald
Carson (OK)	Israel	Miller, George
Clay	Jackson (IL)	Mink
Clayton	Jackson-Lee	Mollohan
Clement	(TX)	Moore
Clyburn	Jefferson	Murtha
Condit	John	Nadler
Conyers	Johnson, E.B.	Napolitano
Costello	Jones (OH)	Neal
Coyne	Kanjorski	Oberstar
Cramer	Kaptur	Obey
Crowley	Kennedy (RI)	Olver
Cummings	Kildee	Owens
Davis (CA)	Kilpatrick	Pallone
Davis (FL)	Kind (WI)	Pascarell
DeFazio	Kleczka	Pastor
DeGette	Kucinich	Payne
DeLaunt	LaFalce	Pelosi
DeLauro	Lampson	Peterson (MN)
Deutsch	Langevin	Phelps
Dicks	Lantos	Pomeroy
Dingell	Larsen (WA)	Price (NC)
Doggett	Larson (CT)	Rahall
Dooley	Lee	Rangel
Doyle	Levin	Reyes
Edwards	Lewis (GA)	Rivers
Engel	Lipinski	Rodriguez

Roemer	Skelton	Towns
Ross	Slaughter	Turner
Rothman	Smith (WA)	Udall (CO)
Roybal-Allard	Snyder	Udall (NM)
Rush	Solis	Velazquez
Sabo	Spratt	Visclosky
Sanchez	Stark	Waters
Sanders	Strickland	Watson (CA)
Sandlin	Stupak	Watt (NC)
Sawyer	Tanner	Waxman
Schakowsky	Tauscher	Weiner
Schiff	Taylor (MS)	Wexler
Scott	Thompson (CA)	Woolsey
Serrano	Thompson (MS)	Wu
Sherman	Thurman	Wynn
Shows	Tierney	

NOT VOTING—15

Barrett	Cubin	Norwood
Barton	Davis (IL)	Ortiz
Bentsen	Eshoo	Radanovich
Blagojevich	Graham	Trafficant
Burton	Hinojosa	Young (FL)

□ 1219

Ms. SLAUGHTER, and Messrs. FORD, PASCARELL, NEAL of Massachusetts, RUSH, and Mr. DAVIS of Florida changed their vote from "yea" to "nay."

So the previous question was ordered. The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

#### CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107-197)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on International Relations and ordered to be printed:

*To the Congress of the United States:*

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond March 15, 2002, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on March 14, 2001 (66 Fed. Reg. 15013).

The crisis between the United States and Iran constituted by the actions and policies of the Government of Iran, including its support for international

terrorism, efforts to undermine Middle East peace, and acquisition of weapons of mass destruction and the means to deliver them, that led to the declaration of a national emergency on March 15, 1995, has not been resolved. These actions and policies are contrary to the interests of the United States in the region and pose a continuing unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency declared with respect to Iran and maintain in force comprehensive sanctions against Iran to respond to this threat.

GEORGE W. BUSH.  
THE WHITE HOUSE, March 13, 2002.

PERIODIC REPORT ON NATIONAL  
EMERGENCY WITH RESPECT TO  
IRAN—MESSAGE FROM THE  
PRESIDENT OF THE UNITED  
STATES (H. DOC. NO. 107-188)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on International Relations and ordered to be printed:

*To the Congress of the United States:*

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c), I transmit herewith a 6-month periodic report prepared by my Administration on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995.

GEORGE W. BUSH.  
THE WHITE HOUSE, March 13, 2002.

CLASS ACTION FAIRNESS ACT OF  
2002

The SPEAKER pro tempore. Pursuant to House Resolution 367 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2341.

□ 1220

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2341) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement

notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes, with Mr. LINDER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 2341, the Class Action Fairness Act of 2002. Last August, the Washington Post Editorial Board wrote that "no portion of the American civil justice system is more of a mess than the world of class actions. None is in more desperate need of policymakers' attention."

Mr. Chairman, the Post almost got it right, except that the world of class action litigation is not a mess, it is a joke. The examples speak for themselves:

An airline price-fixing settlement produced \$16 million in attorneys' fees that only provided a \$25 credit for class members, if they purchased an additional airline ticket for more than \$250.

The Bank of Boston accounting settlement, which resulted in \$8.5 million in attorneys' fees but actually cost class members around \$80 apiece. And if that was not bad enough, the plaintiffs' attorneys in this settlement actually sued the class members for an additional \$25 million.

In Mississippi, an asbestos settlement rewarded class members from Mississippi as much as 18 times more than class members from other States. In another case, a class action settlement against Cheerios over food additives produced \$2 million in attorneys' fees and class members only received coupons for more Cheerios.

While these settlements are a disgrace to the American legal system, H.R. 2341 takes important steps to restore its dignity. First, it would implement necessary safeguards against these and other unwieldy settlements that give lawyers millions of dollars in fees and individual class members a small fraction of any settlement or award. Secondly, it would expand Federal diversity jurisdiction over interstate class actions to help curb the serious abuses that continue to take an enormous toll on our society.

A quick examination of the class action world reveals that the scales of justice are unable to balance the interests of class action lawyers and their clients. Currently, attorneys lump thousands and sometimes millions of speculative claims into one class action and then race to any available

State courthouse in the hopes of a rubber stamp settlement. Too often these settlements result in millions of dollars of attorneys' fees and a mere pittance or coupons for class members in exchange for an agreement not to sue in the future.

While these class actions serve no public policy or benefit to class members, they are an enormous windfall for their attorneys. In addition, because most State and Federal procedural rules require the class members affirmatively opt out of the lawsuit, there are many instances where people are dragged into class actions and do not know how to get out. The only available advice is supposedly contained in extremely complicated class action notices. Mr. Chairman, this system does not protect the interests of class members.

While case after case demonstrates how greedy attorneys use abusive class action settlements to game the system at the expense of their clients, this bill provides long-needed protections to prevent this from happening in the future. A consumer class action bill of rights would prohibit the payment of bounties to class representatives, bar the approval of unreasonable net-loss settlements, and establish a plain-English requirement for settlement notices which clarify class members' rights. Additionally, H.R. 2341 would require greater scrutiny of coupon settlements and settlements involving out-of-state class members.

With the filing of State court class actions having increased a thousand percent over the last 10 years, the current system has transformed certain State courts into the epicenter for class action abuse. It is widely known that there are a handful of State courts notorious for processing even the most speculative of class actions. These courts end up rendering judgments that make national law and bind people from all 50 States. This is exactly what diversity jurisdiction in our Federal courts was intended to prevent.

The bill would rectify this situation by updating antiquated Federal jurisdictional rules and providing our Federal courts with jurisdiction over large interstate class actions. Currently, the Federal Rules provide Federal court jurisdiction for disputes dealing with Federal laws and disputes based upon complete diversity. That means that all plaintiffs and defendants are residents of different States and that every plaintiff's claim is valued at \$75,000 or more. As a result, Federal courts have jurisdiction over lawsuits between people from two different States for just over \$75,000 but do not have jurisdiction for national class actions worth billions of dollars. Instead, these massive lawsuits are being processed in various county courts throughout the country.

The bill establishes a new minimal diversity standard for class actions, requiring that any plaintiff and any defendant are residents of different